



# ENERGY ASSURANCE DAILY

Friday Evening, December 16, 2016

## ***Electricity***

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### **Dominion's 810 MW Surry Nuclear Unit 1 in Virginia Reduced to 60 Percent by December 16**

On the morning of December 15 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

### **APS Reports Normal Operations at Its 4,209 MW Palo Verde Nuclear Plant in Arizona after Backup Generator Fails During Test December 15**

Arizona Public Service Co. (APS) on Thursday morning says a backup generator being tested at its Palo Verde Nuclear generating station failed but the plant was operating normally. The incident triggered a brief and minor emergency alert but did not involve the plant's reactors, APS said. The incident happened during routine monthly testing of one of two backup generators at the plant's no. 3 reactor, according to APS. The diesel generator had a major failure during startup and a portable generator is being moved in to take its place. The plant has three reactors, and each has two diesel backup generators to run reactor systems in case of a power failure. All three reactors are running at 100 percent power.

Reuters, 15:31 December 15, 2016

### **DOI to Manage 1,320 MW Glen Canyon Dam, Lake Powell Reservoir in Arizona Through 2036**

U.S. Department of the Interior (DOI) Secretary Sally Jewell on Thursday signed an agreement that allows the Federal Bureau of Reclamation to manage the Glen Canyon Dam and the Lake Powell reservoir in Arizona through 2036. The agreement "provides certainty and predictability to those that use water and power from the dam," Jewell said, while also providing environmental protection for fish and wildlife in the Grand Canyon, through which the dam sends water to Lake Mead and Hoover Dam near Las Vegas, Nevada. Glen Canyon, which was completed in 1964, has eight hydroelectric turbine generators that the Bureau of Reclamation says produce about 5 billion kilowatt-hours of hydroelectric power per year for distribution by the Western Area Power Administration to Nebraska and six of seven Colorado River basin states.

<https://www.doi.gov/mediaadvisories/secretary-jewell-deputy-secretary-connor-announce-final-framework-glen-canyon-dam>

<https://www.usbr.gov/uc/rm/crsp/gc/>

Reuters, 23:05 December 15, 2016

## ***Petroleum***

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### **Phillips 66 Reports Malfunction, Emissions at Its 200,000 b/d Ponca City, Oklahoma Refinery December 9–10**

Phillips 66 reported a malfunction and excess carbon monoxide from the no. 4 fluid catalytic cracking regenerator at its Ponca City, Oklahoma from December 9–10, according to a filing with the Oklahoma Department of Environmental Quality.

Reuters, 16:27 December 15, 2016

### **Valero Reports Excess Opacity, Emissions at Its 86,000 b/d Ardmore, Oklahoma Refinery December 9, 12**

Valero Energy Corp reported excess opacity from the alkylation unit flare at its Ardmore, Oklahoma refinery on December 12, according to a filing with the Oklahoma Department of Environmental Quality. Additionally, the company reported excess NOx emissions from the H-102B crude atmospheric tower heater on December 9. Reuters, 16:43 December 15, 2016

### **HollyFrontier Reports Emissions at Its 85,000 b/d Tulsa, Oklahoma Refinery December 6–8**

HollyFrontier Corp reported excess hydrogen sulfide from the no. 2 alkylation flare at the west plant of its Tulsa, Oklahoma refinery on December 6, 7, and 8, according to a filing with the Oklahoma Department of Environmental Quality. Reuters, 16:54 December 15, 2016

### **CVR Reports Emissions at Its 70,000 b/d Wynnewood, Oklahoma Refinery December 7, 8**

CVR Energy reported excess hydrogen sulfide emissions from the hydrocracker flare and south vapor recovery flare at its Wynnewood, Oklahoma refinery on December 7 and 8, according to a filing with the Oklahoma Department of Environmental Quality. Reuters, 16:34 December 15, 2016

### **Update: Shell Says Operations Stable at Its Deer Park, Texas Facility December 16 Following Upset on December 13**

Royal Dutch Shell on Thursday said flaring had ceased and operations were stable at its Deer Park, Texas refining and petrochemicals facility following a process unit upset on December 13. Shell operates a 285,500 b/d refinery at its Deer Park site, but it was unclear if the upset occurred in the refinery or the petrochemicals section of the facility. Reuters, 13:26 December 16, 2016

### **Phillips 66 Reports FCCU Emissions, Equipment Restart at Its 146,000 b/d Borger, Texas Refinery December 14**

Phillips 66 reported a release of opacity in excess of 35 percent from the fluidic catalytic cracking unit (FCCU) stack at its Borger, Texas refinery on December 14, according to a filing with the Texas Commission on Environmental Quality. Phillips 66 said the equipment was restarted. Reuters, 16:10 December 15, 2016

### **Update: Small Fire at Sinclair Oil's 85,000 b/d Sinclair, Wyoming Refinery Came from Hydrocracker Unit – Manager**

A small unit fire on Monday morning at Sinclair Oil's refinery in Sinclair, Wyoming took place in the hydrocracker unit, according to the refinery's manager. A tube in a heater had ruptured inside the high pressure unit, but an internal investigation into what caused the fire remains ongoing, the manager added. The fire, which was quickly contained, caused minor damage. The hydrocracker unit was expected to resume operations by next week. <http://www.sheridanmedia.com/news/wyoming-news90375>

### **Imperial Oil Reports Flaring at Its 187,000 b/d Strathcona, Alberta Refinery December 16**

According to a community information line, Imperial oil on Friday reported flaring over the next 6-8 hours at its Strathcona, Alberta refinery, including periods of heavier than usual flaring. Reuters, 14:44 December 16, 2016

### **Phillips 66's Freeport LPG Export Terminal in Texas Fully Operational December 16**

Phillips 66 on Friday announced that its Freeport LPG Export Terminal located in Freeport, Texas was fully operational. The company loaded its first contracted cargo on the Commander, a very large gas carrier that departed the terminal on December 16. The terminal can simultaneously load two ships with refrigerated propane and butane at a combined rate of 36,000 barrels per hour. Supply for the export terminal is sourced from the Phillips 66 Partners' Sweeny fractionator and Clemens storage facility, which is also connected by pipeline to the Mont Belvieu Hub. <http://investor.phillips66.com/investors/news/news-release-details/2016/Phillips-66-Freeport-LPG-Export-Terminal-Fully-Operational/default.aspx>

## **Enbridge Announces Open Season for Proposed Expansion of Its 230,000 b/d Ozark Pipeline from Oklahoma to Illinois**

Enbridge Pipelines L.L.C., a subsidiary of Enbridge Energy Partners on Thursday announced a binding open season for the proposed 115,000 b/d expansion of its Enbridge Ozark Pipeline. The Ozark pipeline, which transports crude oil from Cushing, Oklahoma to Wood River, Illinois, would be expanded by increasing horsepower at pump stations and adding drag reducing agents to the crude petroleum to reduce flow losses. The open season will end on January 19, 2017 and in-service date of the expansion is expected to be during the second quarter of 2018.

<http://ozark.enbridge.com/News/Ozark-Pipeline-Open-Season-Launches.aspx>

<http://ozark.enbridge.com/>

## **Enbridge, Spectra Shareholders Approve of Merger Resolutions December 15; Transaction Expected to Close During First Quarter 2017**

Enbridge Inc. and Spectra Energy Corp on Thursday announced their respective shareholders overwhelmingly approved the required resolutions in connection with the merger transaction between the two companies. Both companies continue to work to meet closing conditions and the required regulatory applications are progressing. Pending the satisfaction of the remaining conditions and regulatory approvals, the transaction is expected to close in the first quarter of 2017.

<http://www.enbridge.com/media-center/news/details?id=2111979&lang=en&year=2016>

<http://www.spectraenergy.com/Newsroom/News-Archive/Spectra-Energy-Stockholders-Overwhelmingly-Approve-Merger-With-Enbridge/>

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## ***Natural Gas***

### **PHMSA Issues IFR Revising Safety Regulations for Underground Natural Gas Storage Facilities December 14**

The U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA) on Wednesday issued an interim final rule (IFR) revising Federal pipeline safety regulations to address safety issues related to underground natural gas storage facilities. The IFR represents the first step in addressing critical safety issues in response to Section 12 of the PIPES Act requiring PHMSA to enact minimum federal safety standards for underground natural gas storage facilities, and addresses the concerns of the public highlighted by the Aliso Canyon natural gas leak incident of 2015. Specifically the IFR incorporates the American Petroleum Institute's recommended practices, which outline standards for the design and operation of solution-mined salt caverns used for natural gas storage, and functional integrity of natural gas storage in depleted hydrocarbon reservoirs and aquifer reservoirs. The new standards will directly apply to approximately 200 interstate facilities, and serve as the minimum federal standard for approximately 200 intrastate facilities.

<http://www.phmsa.dot.gov/pipeline/phmsa-issues-interim-final-rule-revising-the-pipeline-safety-regulations-to-address-safety-issues-related-to-underground-natural-gas-storage-facilities>

<http://www.reuters.com/article/us-utilities-natgas-safety-idUSKBN1441W6>

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## ***Other News***

Nothing to report.

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## ***International News***

Nothing to report.

## Energy Prices

U.S. Oil and Gas Prices			
December 16, 2016			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	51.88	51.46	36.51
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	3.55	3.66	1.64

Source: Reuters

## Links

***This Week in Petroleum*** from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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